



**COUNTY OF LOS ANGELES**  
**Internal Services Department**  
1100 North Eastern Avenue  
Los Angeles, California 90063



**Dave Lambertson**  
Director

*To enrich lives through effective and caring service.*

Telephone: (323) 267-2101  
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Date: March 17, 2005

**Agenda Date: March 29, 2005**

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST FOR APPROVAL TO PURCHASE COMPUTER EQUIPMENT  
(ALL SUPERVISORAL DISTRICTS - 3 VOTES)**

**CIO RECOMMENDATION:**

☒ **APPROVE** ( ) **APPROVE WITH MODIFICATION** ( ) **DISAPPROVE**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Authorize the Director of the Internal Services Department (ISD) to purchase disk storage devices at a total purchase cost of \$731,500 including sales tax, at a financed cost of \$827,799 for the Downey IBM Data Center.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

This request is to comply with the County Equipment Policy that your Board approved on October 16, 2001. This policy requires departments to obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater. Therefore, we are requesting approval to purchase disk storage devices for the Downey IBM Data Center.

The purchase of two disk storage devices is needed to meet current, critical data storage needs. One disk storage device will be used to replace old and expensive to maintain disk storage in the Downey Data Center and provide needed additional storage capacity. The current equipment is technologically outdated and the cost of monthly maintenance exceeds that which will be needed for the new equipment.

The second disk storage device is needed to "mirror" production data and be available in case the production subsystem is damaged or fails to operate. This device will also be used for local recovery purposes.

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BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

The Honorable Board of Supervisors

Date

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### **Implementation of Strategic Plan Goals**

The new disk storage devices promote the Board-approved Strategic Plan Goals of Service Excellence, Organizational Effectiveness, and Fiscal Responsibility.

### **FISCAL IMPACT/FINANCING**

ISD will avoid \$225,000 per year over the next three years in maintenance cost by replacing the old disk storage in the Downey Data Center.

The acquisition of the two disk storage devices will be awarded through a bid process with an estimated cost of \$731,500. The LAC-CAL monthly payments have been budgeted in FY 2004-05 and requested in our FY 2005-06 budget.

The estimated payments by Fiscal Year through FY 2007-08 are shown below:

Equipment Type	Purchase Price	FY 2004-05 LAC-CAL Cost	FY 2005-06 LAC-CAL Cost	FY 2006-07 LAC-CAL Cost	FY 2007-08 LAC-CAL Cost	LAC-CAL Totals
Downey disk storage	372,030	23,389	140,335	140,335	116,946	421,005
Mirrored disk storage	359,470	22,600	135,598	135,598	112,998	406,794
Total	\$731,500	\$45,989	\$275,933	\$275,933	\$229,944	827,799

There is no additional net County cost associated with this request as billing to departments who utilize Data Center services offsets these payments.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On October 16, 2001, your Board adopted a policy whereby departments must obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater prior to submitting their requisitions to Purchasing.

### **CONTRACTING PROCESS**

This is a commodity purchase under the statutory authority of the County Purchasing Agent. The purchase will be requisitioned through and accomplished by the Purchasing Agent in accordance with the standard County's Purchasing policies and procedures.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The new equipment provides the necessary capacity, increases the efficiency of current storage capabilities, and provides for recovery if production equipment is damaged or fails to operate.

### **CONCLUSION**

Your approval will allow ISD to acquire the resources necessary to support the Downey Data Center's automated systems.

Respectfully submitted,



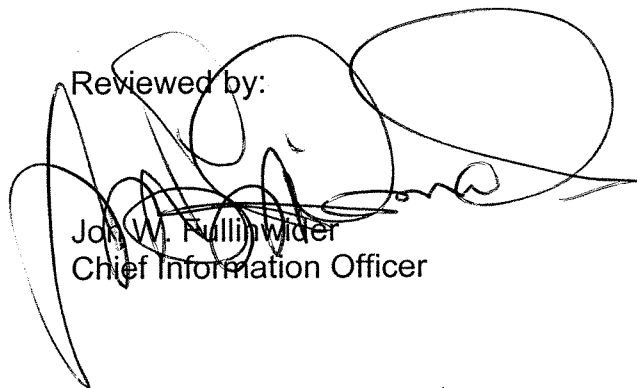
Dave Lambertson  
Director

DL:SD:sd

Attachment (1 – CIO Analysis)

c: Chief Administrative Officer  
County Counsel

Reviewed by:



John W. Fullinwider  
Chief Information Officer

## CIO ANALYSIS

REQUEST FOR APPROVAL TO PURCHASE IBM DIRECT STORAGE ACCESS  
DEVICES (DASD) FOR THE DOWNEY DATA CENTER  
(ALL SUPERVISORIAL DISTRICTS – 3 VOTES)

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION  
☐ DISAPPROVE

### Contract Type:

☐ New Contract ☐ Contract Amendment ☐ Contract Extension  
☐ Sole Source Contract ☒ Fixed Asset Approval

New/Revised Contract Term: Base Term: NA # of Option Yrs       

### Contract Components:

☐ Software ☒ Hardware ☐ Telecommunications  
☐ Professional Services

Project Executive Sponsor: Dave Lambertson, Director, Internal Services Department

### Budget Information :

Y-T-D Contract Expenditures	\$
Requested Contract Amount	\$ 827,799
Aggregate Contract Amount	\$ 827,799

### Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?

### Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?

### **Project/Contract Description:**

The existing IBM Direct Access Storage Device (DASD) is at capacity and must be replaced to support additional computing and data storage requirements. The existing DASD is over eight years old, has limited capacity and is very costly to maintain.

The Board letter requests that your Board authorize the Director of Internal Services Department (ISD) to purchase IBM compatible DASD equipment for the Downey Data Center at a total purchase cost of \$731,500 including sales tax, and at a financed cost not to exceed \$827,799 over 36 months. The equipment will be a LAC-CAL financed acquisition.

### **Background:**

The proposed DASD storage will enable ISD to consolidate their four existing DASD systems that are supported by multiple vendors into a single high capacity DASD system. With recent advances in disk replication technology, there are now significant disaster recovery benefits derived from mirroring storage from one storage system to another. ISD's existing storage devices do not offer the hardware-based replication capabilities that more current technology provides.

This DASD procurement is comprised of two separate DASD storage systems with plans to install both in the Downey Data Center. The first would serve as the primary storage device and the second would be used for data replication (disk mirroring) purposes. Having the two systems would offer ISD an opportunity to explore improved disaster recovery capabilities through various disk mirroring configurations. Together the new storage devices will initially provide ISD with an intra-data center disaster recovery solution and allow for some limited onsite disaster recovery testing. The plan is to relocate the second DASD system to a backup facility, when a County disaster recovery data center is established. Locating the second DASD system at Downey allows disaster recovery testing, but locating it in a backup facility is required to provide proper disaster recovery capability and should be completed as soon as is practical.

### **Project Justification/Benefits:**

With the expanding storage requirements in the IBM data center, an upgrade of ISD's existing DASD system is essential. The proposed DASD system will include a built-in snapshot capability that will dramatically reduce the time needed to complete the nightly database backups; improving system availability. Overall IBM system performance should improve as the current system requires datasets to be migrated to tape due to the shortage of DASD space. Often these same datasets are recalled from tape within hours, delaying batch runs and impacting application support productivity.

## **Project Metrics**

This system will be considered complete when it is installed with system testing and data replication testing successfully completed.

## **Impact If Proposal Is Not Approved**

If the DASD upgrade is not approved, costs to maintain the existing storage will continue and operational inefficiencies related storage management and data backups will continue. More importantly, critical disaster recovery processes will not be implemented to ensure the improved availability of the systems.

## **Alternatives Considered:**

Numerous upgrade alternatives have been reviewed in detail (capacity plan projections/processor configurations) to determine the most cost effective option. The selected equipment was identified through a competitive solicitation, with multiple responding vendors.

## **Project Risks:**

Project risks are minimal due to the use of standard hardware and software to accomplish this upgrade. Failure to upgrade the storage devices will result in higher costs and lack of disaster recovery capabilities.

## **Risk Mitigation Measures:**

Proper planning and careful implementation activities will be established to minimize risk. Performance tests and validation will be conducted to ensure that the DASD subsystems work as planned.

## **Financial Analysis:**

The DASD subsystems with a purchase price of \$731,500 will be financed over 36 month as a LAC-CAL lease for a total cost of \$827,799. The DASD carries a warrantee for the first three years and no additional costs will be incurred for maintenance purposes.

Replacing the existing DASD will eliminate current annual maintenance fees of \$225,000 that will partially offset the cost of the new DASD.

**CIO Concerns:**

None

**CIO Recommendations:**

Recommend Board approval of the proposed acquisition.

**CIO APPROVAL**

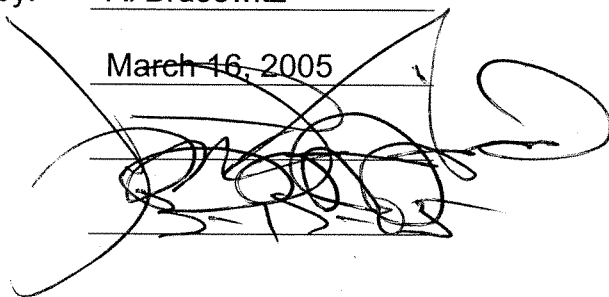
Date Received: March 15, 2005

Prepared by: Al Brusewitz

Date: March 16, 2005

Approved:

Date:

A large, stylized handwritten signature is written over the 'Approved:' and 'Date:' lines. The signature is written in black ink and appears to be 'S. J. S. 05'. The date 'March 16, 2005' is also written in the signature area.